

LEASE FROM CITY OF SEATTLE
TO BOEING AIRPLANE COMPANY

This lease made and executed this 28th day of Sept., 1955, between THE CITY OF SEATTLE, a Municipal Corporation of the State of Washington, as Lessor (hereinafter referred to as the City) and BOEING AIRPLANE COMPANY, a Delaware corporation with its principal office in the City of Seattle, State of Washington, as Lessee (hereinafter referred to as Lessee),

W I T N E S S E T H:

That for and in consideration of the covenants and conditions herein contained the City hereby leases to Lessee certain properties more particularly hereinafter described, and the City and Lessee hereby agree, as follows:

1. The City hereby leases to Lessee the following described property situated in King County, Washington, to wit:

A tract of land in the Northeast Quarter of Section 29, Township 24 North, Range 4 East, Willamette Meridian, described as follows: Beginning at a concrete monument designated as Monument "A" and having U. S. Coast and Geodetic Survey coordinate values of $x = 1,635,072.92$, $y = 200,642.04$; thence North $66^{\circ}04'00''$ West 1,584.07 feet to the intersection with the boundary of King County Airport (Boeing Field), said intersection being the TRUE POINT OF BEGINNING; thence South $30^{\circ}09'39''$ West 16.58 feet along the boundary of said Airport; thence South $13^{\circ}23'54''$ West 338.21 feet, more or less, along the boundary of said Airport to the intersection with the

northerly margin of Myrtle Street; thence North 88°51'14" West 83.27 feet along the northerly margin of Myrtle Street; thence North 17°15'13" East 79.14 feet; thence North 4°09'14" West 97.67 feet, more or less, to the intersection with the northwesterly boundary of the abandoned channel of the Duwamish River; thence along said northwesterly boundary North 1°08'41" West 161.94 feet; thence continuing along said northwesterly boundary North 15°31'13" East 54.00 feet; thence continuing along said northwesterly boundary North 34°34'45" East 91.16 feet, more or less, to a southwesterly boundary of a lease from the City of Seattle to the Boeing Airplane Company dated May 13, 1953, and recorded in the Records of King County, Washington, in Volume 141 of leases, Page 340 under Auditors File No. 4364871; thence South 14°42'30" East 40.91 feet along said southwesterly boundary; thence South 44°48'45" East 113.82 feet, more or less, along the southerly boundary of aforesaid lease from the City of Seattle to the Boeing Airplane Company, to the TRUE POINT OF BEGINNING; this tract containing an area of 46,123 square feet, more or less.

(NOTE: When reference is made to the boundary of the aforesaid lease from the City of Seattle to the Boeing Airplane Company, it is the intention of the parties that the above described tract be contiguous to the property covered by said lease, notwithstanding any apparent inconsistencies as between the courses and distances given in said lease and the courses and distances used in the description of the above described tract.)

together with the appurtenances thereto and the improvements and property thereon or attached thereto (except power lines, flume, and other facilities to which reference is made in paragraph 10 hereof), said property and appurtenances being hereinafter referred to as the leased property; and hereby grants to Lessee the interests, rights and privileges more particularly hereinafter designated, said lease to be for the period beginning on the 1st day of Oct., 1955

and ending at the expiration of the 31st day of December, 1992, unless sooner terminated in accordance with the other terms and conditions of this lease.

2. The amount of rental to be paid by Lessee for the leased property and the interests, rights and privileges granted under this lease for at least the period from Oct. 1st, 1955 until June 14, 1956 (and thereafter, except as the rental rate may be changed in accordance with the following paragraph) shall be \$461.23 (or 1¢ per square foot) per year; said rental to be paid quarterly in advance on or before the 15th day of March, June, September and December of each year; provided, that such rental rate shall be adjusted from time to time in accordance with and to the extent required by the following paragraph:

The Lessee and King County, Washington have entered into two leases, one dated February 9, 1953 and recorded in Volume 140 of Leases, Page 135 under Auditors File No. 4333003, records of said County, and the other dated March 2, 1953 and recorded in Volume 140 of Leases, Page 125 under Auditors File No. 4333002, records of said County, both leases being hereinafter referred to as the "King County leases." The terms of these King County leases extend until the end of 1991 and such leases relate to real property owned by King County and lying in the vicinity of the leased property covered by this instant lease. The rental rate specified in the King County leases is approximately the same, on a bare-ground, per-square-foot basis, as the rental rate specified herein. If and when the

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average bare-ground, per-square-foot rental rate for the property covered by the King County leases is changed, either in accordance with the terms of the King County leases or any lease from King County to Lessee that supersedes the King County leases, the rental rate provided herein shall be changed accordingly.

Property, buildings, installations, improvements or equipment constructed, installed or owned by the United States (hereinafter referred to as the Government) or Lessee shall not be considered as part of the leased property in the event of any future readjustment of rentals.

3. Lessee or the Government may build or install buildings, installations and equipment upon the leased property, to be used, among other things, for or in connection with constructing, manufacturing, modifying and testing aircraft parts and equipment, title to which buildings, installations and equipment shall vest in and shall remain in Lessee or the Government, as the case may be, and such buildings, installations and equipment shall not be deemed property covered by this lease and shall not be deemed property owned by the City. Such buildings, installations and equipment constructed, installed or owned by the Government or Lessee may be removed by Lessee or the Government, as the case may be, from the leased property at any time during the term of this lease. The Government and Lessee shall each have the right, within ninety (90) days after the cancellation or expiration of this lease, to remove from the leased property any or all buildings, installations and

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equipment belonging to the Government or to Lessee, provided that if such removal is at the instance of the Government or Lessee, Lessee shall pay rental, at the rate provided in this lease, for the portion of said ninety (90) day period prior to removal and vacation of the leased property. Upon the expiration or termination of this lease, the City shall have the option to require the Lessee (or the Government, if the lease has been assigned to the Government) to remove any concrete slab surfacing that may then have been placed on the leased property by Lessee or the Government, and in the event of the removal of such concrete slab pursuant to the exercise of this option, the City and Lessee shall each bear one-half the cost of such removal. There shall be no other obligation on the part of the Lessee or the Government to restore the premises or remove any buildings, installations, or equipment that are on the leased property at the time of such termination or expiration of this lease. Such option must be exercised by written notice from the City to Lessee (or the Government, if the lease has been assigned to the Government) within the thirty (30) day period immediately following the termination or earlier cancellation of this lease. Any buildings, installations or equipment remaining attached to the leased property at the expiration of the ninety (90) day period referred to herein, and in respect of which the City has not requested removal in accordance with the foregoing option within said thirty (30) day period, shall revert to the City and become the City's property.

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4. If, during the term of this lease, Lessee determines that it has no further use of the leased property, Lessee may cancel this lease, upon giving the City sixty (60) days' advance written notice of such cancellation, but such notice must designate cancellation on one of the rental payment dates specified in paragraph 2.

5. It shall be the obligation of Lessee to pay to the proper third parties amounts due for electricity, water, telephone service and heat furnished to Lessee on the leased property by such third parties.

6. The City shall at all times allow ingress to and egress from the leased property, and to such premises adjacent and contiguous to the leased property as may be leased by the Lessee from King County, to and from the runways and taxiways on the Airport, over other property owned or controlled by the City, and shall permit overhead or underground transmission to the leased property, and to such premises adjacent and contiguous to the leased property as may be leased by the Lessee from King County, of such services as Lessee desires, such as electricity, heating, water, telephone service, compressed air, gasoline, aircraft fuel, and other services, so long as the type, design and location of installations for such services meet with the approval of the City.

7. This lease shall not be assigned unless such assignment shall first be authorized in writing by the City, provided that the City agrees to authorize and give such consent to any assignment of this lease to the Government or agency thereof and

upon such assignment to the Government, all liability of the assignor under this lease shall cease, and the Government shall have the right to sublease to others, provided that such sublessee shall not use the leased property for any purpose detrimental to or in conflict with the proprietary interests of the City.

8. Lessee shall save the City harmless from any liability for damage or injury caused to the person or property of any person on the property covered by this lease or by any act of any agent, employee or customer of Lessee on the property covered by this lease; provided, however, that Lessee shall not under any circumstances indemnify or hold harmless the City if such damage or injury is caused by the City, its officers, agents or employees.

9. Lessee, in constructing improvements on the leased property and in the conduct of its business on the leased property shall abide by all applicable, reasonable and general rules and regulations of the City and any other governmental authority.

10. An electric power line, including poles, wires, insulators and other component parts of such line, is now located on the leased property and is used by the City in connection with the operation of the electric power plant now owned by the City, which power plant is located in the vicinity of the leased property. Also, a flume is now located on the leased property and is used by the City in connection with the

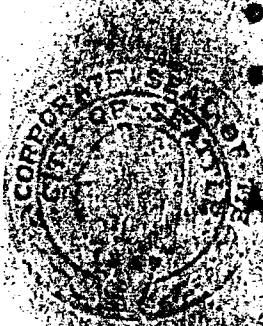
operation of such power plant. If it is necessary that such power line and/or flume be relocated, within the leased property, in order to permit the use and occupancy of the leased property, desired by Lessee under this lease, Lessee will designate new locations for such power line and/or flume, and the construction necessary in connection with such relocations, in order to permit such use and occupancy of the leased property. The City shall relocate the power line to another location within the leased property, upon and in accordance with the request of Lessee, and Lessee shall within sixty (60) days after the completion of such work reimburse the City for the necessary cost to the City of such work and relocation. The Lessee shall at its expense relocate the flume, within the leased property, and change the construction thereof, to the extent such relocation and change of construction is necessary or desirable to Lessee in order to permit such use and occupancy of the leased property. The City reserves the easement and right to continue to construct, use and maintain said power line (in its present location until relocated, and, upon relocation, as so relocated) and to use and maintain said flume (in its present location until relocated, and, upon relocation, as so relocated), in connection with the operation of said power plant, and Lessee shall permit such continued use and maintenance of said power line and flume, until this lease is terminated or expires, or until the City abandons all further operation of said electric power plant as such, whichever event occurs first. Any other facilities on the leased property which the Lessee may require to be moved or rearranged, shall be moved or rearranged by

the City, and the Lessee shall within sixty (60) days after the completion of such work, reimburse the City for the necessary cost to the City of such work.


11. If, at any time during the term of this lease, Lessee shall fail to pay the rental provided for herein, then the City may give written notice to Lessee to pay said rentals as aforesaid within ten (10) days (or, if the Government is then the Lessee, sixty (60) days) after receipt by Lessee of said notice, and if such failure to pay rental is not cured within said ten (10) day period (or, if the Government is then the Lessee, within said sixty (60) day period), the City shall have the power and right to declare this lease forfeited.

IN WITNESS WHEREOF, the parties hereto have caused this lease to be executed in quadruplicate by their proper officers thereunto duly authorized, and sealed with their respective corporate seals on the day and year first above written.

ATTEST:


A. Thomas
City Comptroller and
Ex-Officio City Clerk


THE CITY OF SEATTLE

By 
Its Mayor LESSOR.

ATTEST:


R. Geizenlichter
Its Assistant Secretary
R. GEIZENLICHTER
ASSISTANT SECRETARY

BOEING AIRPLANE COMPANY, a
corporation

By 
Its J. S. CONNELLY, DIRECTOR OF
CONTRACT ADMINISTRATION
LESSEE.

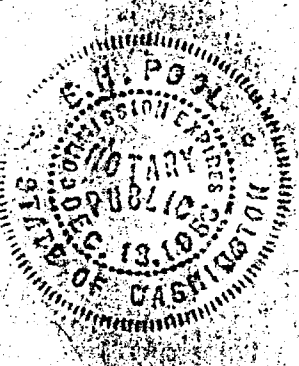
STATE OF WASHINGTON }
COUNTY OF KING } SS.

On this 28th day of Sept, 1955,
before me personally appeared ALLAN POMEROY and
W. C. Thomas, who are, respectively, the Mayor
and ✓ City Comptroller and Ex-Officio City Clerk,
of the City of Seattle, the municipal corporation of the State
of Washington that executed the within and foregoing instru-
ment, and acknowledged said instrument to be the free and volun-
tary act and deed of said municipal corporation, for the uses
and purposes therein mentioned, and on oath stated that they
are authorized to execute said instrument and that the seal
affixed is the official seal of said municipal corporation.

IN WITNESS WHEREOF I have hereunto set my hand and
affixed my official seal the day and year first above written.

E. H. Pool

Notary Public in and for the State
of Washington, residing at Seattle



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Request of R. A. Morris
ROBERT A. MORRIS, County Auditor